

result of the discharge of hazardous substances at the TECT, Inc. site.

THE PARTIES

2. Plaintiff NJDEP is a principal department within the Executive Branch of the State government vested with the authority to conserve natural resources, protect the environment, prevent pollution, and protect the public health and safety. N.J.S.A. 13:1D-9.

3. Plaintiff Administrator is the chief executive officer of the New Jersey Spill Compensation Fund ("Spill Fund" or the "Fund"). N.J.S.A. 58:10-23.11j. As chief executive officer of the Spill Fund, plaintiff Administrator is authorized to approve and pay any cleanup and removal costs plaintiff NJDEP incurs, N.J.S.A. 58:10-23.11f.c. and d., and to certify the amount of any claim to be paid from the Spill Fund, N.J.S.A. 58:10-23.11j.d.

4. Defendant TECT, Inc. ("TECT") is a defunct New Jersey corporation organized under the laws of the State of New Jersey, with its last known principal place of business in the State being 254 Livingston Street, Borough of Northvale, County of Bergen.

5. Defendant Alacer, Corp. ("Alacer") is a corporation organized under the laws of the State of California, with a principal place of business located at 19631 Pauling Drive, Foothill Ranch, California 92610.

6. Defendant Estate of James Patrick is the estate of James Warren Patrick (a/k/a J.W. Patrick and Jay Patrick), an individual

whose last known address was 21222 Hillgate Circle, Trabuco Canyon, California 92679. James Patrick died testate in California on February 26, 2003, during the pendency of this lawsuit.

7. Defendant Vernon G. Peck (a/k/a Vern G. Peck), is an individual whose address is 1505 Wood Lake, Santa Ana, California 92705. Defendant Peck is an executor of James Patrick's Estate ("Patrick's Estate") and a co-trustee of the James W. Patrick Trust dated January 12, 2000 (the "January 2000 Trust"), an inter-vivos trust cited in James Patrick's Last Will and Testament ("Patrick's Will").

8. Defendant Ronald J. Patrick, the son of James W. Patrick, is an individual whose address is 11 Havre Court, Foothill Ranch, California 92610. Ronald Patrick is the acting president of defendant Alacer, an executor of Patrick's Estate, and a co-trustee of the January 2000 Trust.

9. Defendant Ymelda T. Patrick, the former wife of James W. Patrick, is an individual with an address at 21222 Hillgate Circle, Trabuco Canyon, California 92679, and is a co-trustee of the January 2000 Trust.

10. Defendant Thadeus Smith, an individual with an address at 20151 Birch Street, Suite 250, Newport Beach, California 92660, is a co-trustee of the January 2000 Trust.

11. Defendant James D. Turner is an attorney with a business address at 74-770 Highway 111, Suite 201, Indian Wells, California 92210, and is a co-trustee of the January 2000 Trust.

12. Defendant The Committee for World Health ("Committee"), a not-for-profit California Corporation, located at 20331 Lake Forrest Drive, Suite C-15, Lake Forrest, California 92630, and having a registered address at c/o Alacer Corporation, 19631 Pauling Drive, Foothill Ranch, California 92610, is a named beneficiary in Patrick's Will.

13. The Defendants are "persons" within the meaning of N.J.S.A. 58:10-23.11b.

#### GENERAL ALLEGATIONS

14. The TECT, Inc. site consists of approximately 2.25 acres of real property located at 254 Livingston Street, Borough of Northvale, Bergen County, this property being also known and designated as Block 303, Lot 5, on the Tax Map of the Borough of Northvale ("the TECT Property"), and all other areas where any hazardous substances, as defined in N.J.S.A. 58:10-23.11b, have come to be located (collectively, the "Site").

15. From 1957 through the early 1970s, "hazardous substances," as defined in N.J.S.A. 58:10-23.11b, were not satisfactorily stored or contained at the TECT Property within the meaning of N.J.S.A. 58:10-23.11f.b.(2), certain of which were discharged within the meaning of N.J.S.A. 58:10-23.11f.a(1) and/or N.J.S.A. 58:10-23.11f.b.(3).

16. By deed dated September 13, 1957, defendant TECT took title to the TECT Property and therein continuously carried out its

business of distributing chlorinated solvents and manufacturing specialty chemicals until some time in 1972.

17. On November 14, 1972, title to the TECT Property passed to the U.S. Administrator of the U.S. Small Business Administration by sheriff's sale in satisfaction of a judgment of foreclosure entered against the property on June 12, 1972.

18. By deed dated February 13, 1973, third-party defendant Danzig Holdings, Inc., a defunct New Jersey corporation, took title to the TECT Property.

19. By deed dated May 13, 1974, defendant Danzig Holdings transferred title to the TECT Property to Stanley W. Danzig and his wife, Sylvia Danzig, now deceased, whose estates also are third-party defendants in this action.

20. On May 6, 1982, Sylvia Danzig conveyed title to the TECT Property to herself and her adult children, third-party defendants Diana and Kevin Danzig (collectively, the "Danzigs"), and, thereafter, on April 19, 1983, re-conveyed her interest in the TECT Property to defendants Diana and Kevin Danzig, retaining a life estate in the premises.

21. By judgment entered June 6, 1998, the Borough of Northvale (the "Borough") took title to the TECT Property by foreclosure for non-payment of taxes.

22. From 1957 until some time in the early 1990s, commercial and industrial activities were conducted throughout the premises,

including the single two-story cement block building still located there.

23. From on or about September 13, 1957, through 1972, defendant TECT carried out its business of distributing chlorinated solvents and manufacturing specialty chemicals at the TECT Property, which included the blending and mixing of chemical solvents for sale, the storage of such solvents, and the reclamation or recycling of chemical solvents previously used in industrial and manufacturing operations.

24. Third-party defendant Danzig Floor Machine Corporation ("Floor Machine"), a defunct New Jersey corporation formerly known as the Stanley Floor Machine Corporation, continuously occupied the TECT Property from February 1973 through the early 1990s, during which time it manufactured, repaired, and refurbished floor polishing machines and related items.

25. Plaintiff NJDEP first became aware of possible environmental concerns at the TECT Property some time in May or June 1982, when plaintiff NJDEP received information that a former TECT employee alleged having witnessed the burial of 100 drums of chemicals on the premises.

26. In or about June 1982, plaintiff NJDEP began investigating the allegations that drums of hazardous substances had been buried, and that chemical waste had been improperly stored at the TECT Property some time in the late 1960s and/or early 1970s.

27. In May 1985, plaintiff NJDEP received a complaint from the Northvale Fire Chief regarding the alleged burial of drums containing various hazardous substances, including trichloroethylene ("TCE"), in the area behind a building at the TECT Property.

28. In December 1986, plaintiff NJDEP conducted a limited soil gas survey, the results of which showed that the levels of contaminated vapors in the soils in the eastern portion of the TECT Property exceeded background levels.

29. In January 1987, plaintiff NJDEP collected six soil samples at the TECT Property, the analysis of which showed elevated levels of various hazardous substances in the soils including TCE, polychlorinated biphenyls ("PCBs"), tetrachloroethylene ("PCE" or "PERC"), 1,1,1-trichloroethane ("TCA"), and toluene.

30. Some time in March 1988, during a field inspection, third-party defendant Floor Machine's plant manager pointed out three underground storage tanks on the TECT Property to plaintiff NJDEP.

31. Also in March 1988, an employee of plaintiff NJDEP observed that an area to the rear left side of the production building was devoid of grass and was covered with gravel material.

32. On July 10, 1989, plaintiff NJDEP issued a Notice of Violation ("NOV") to third-party defendant Floor Machine, directing third-party defendant Floor Machine to conduct a remedial

investigation to delineate the extent of the contamination at the TECT Property.

33. Through its attorney, third-party defendant Floor Machine refused to comply with the NOV, and thereafter denied plaintiff NJDEP access to the TECT Property.

34. In October 1998, the Borough and plaintiff NJDEP executed a Memorandum of Agreement (the "MOA") with the intent to determine the environmental conditions present at the Site and, consequently, the type and extent of cleanup required.

35. Pursuant to the MOA, the Borough was to perform a Preliminary Assessment and Site Investigation (the "PA/SI") of the Site, and hired Jacobs Environmental, Inc. ("Jacobs Environmental"), an engineering consulting firm, to perform the PA/SI studies to determine the nature and extent of the contamination.

36. In the course of its investigations, Jacobs Environmental found the soils and groundwater at and underlying the TECT Property were contaminated, suspected that drums may have been buried in the eastern portion of the property, found four underground storage tanks, and observed general debris, dumpsters containing debris, and containers ranging from one gallon to 55-gallon capacity throughout the premises.

37. In March 1999, Jacobs Environmental, through a subcontractor, performed a subsurface geophysical investigation which determined the presence of buried drums and/or small tanks in

the eastern portion of the TECT Property, which Jacobs Environmental confirmed through subsequent investigations.

38. On four occasions during July 2000, plaintiff NJDEP collected samples from groundwater monitoring wells installed at the Site, the analysis of which revealed elevated levels of hazardous substances in the groundwater, including PCE, 1,1,2,2-tetrachloroethane, 1,1-dichloroethane, and 1,1-dichloroethene, methylene chloride, and TCE.

39. As of October 2000, the Borough had excavated and removed 750 drums from the Site.

40. On November 1, 2000, plaintiff NJDEP issued a directive to defendants TECT and James Patrick pursuant to N.J.S.A. 58:10-23.11f.a ("the November 2000 Directive"), directing defendant TECT and James Patrick to arrange for the cleanup and removal of the discharges at and from the TECT Property, to which defendant TECT did not respond.

41. By letter from counsel dated November 10, 2000, James Patrick refused to comply with the November 2000 Directive, thus requiring the Borough, with plaintiff NJDEP's oversight, to perform the remedial action selected for the Site using public funds.

42. The remedial action plaintiff NJDEP selected for the Site provides for the removal and proper disposal of drums, barrels and underground storage tanks, and future treatment of the groundwater plume, once ongoing study and delineation of the groundwater plume is completed.



43. Some time in January 2002, the Borough discovered two additional underground storage tanks containing hazardous substances, including significant concentrations of PCBs, at the TECT Property, which tanks were removed because they posed an immediate threat to human health and the environment.

44. The Borough, under plaintiff NJDEP's oversight, is continuing to perform the remedial action selected for the Site using public funds.

45. Pursuant to N.J.S.A. 58:10-23.11u.a(1)(a) and N.J.S.A. 58:10-23.11u.b., plaintiff NJDEP may bring an action in the Superior Court for injunctive relief, N.J.S.A. 58:10-23.11u.b.(1); its unreimbursed investigation, cleanup and removal costs, including the costs of preparing and successfully litigating the action, N.J.S.A. 58:10-23.11u.b.(2); and for any other unreimbursed costs plaintiff NJDEP incurs under the Spill Act, N.J.S.A. 58:10-23.11u.b.(5).

46. Pursuant to N.J.S.A. 58:10-23.11q., plaintiff Administrator is authorized to bring an action in the Superior Court for any unreimbursed costs or damages paid from the Spill Fund.

#### FIRST COUNT

47. Plaintiffs NJDEP and the Administrator repeat each allegation of paragraph nos. 1 through 46 above as though fully set forth herein.

48. Plaintiff NJDEP has incurred, and will continue to incur, costs at the Site.

49. Plaintiff Administrator may certify, for payment, valid claims made against the Spill Fund concerning the Site and, further, has approved, and will continue to approve, other appropriations to remediate the Site.

50. Plaintiffs NJDEP and the Administrator have also incurred, and will continue to incur, costs and damages, including lost use and reasonable assessment costs, for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at the Site.

51. The costs and damages plaintiffs NJDEP and the Administrator have incurred, and will incur, for the Site are "cleanup and removal" costs within the meaning of N.J.S.A. 58:10-23.11b.

52. From 1957 through some time in the early 1970s, defendant TECT owned the TECT Property, during which time it did not satisfactorily store or contain hazardous substances there within the meaning of N.J.S.A. 58:10-23.11f.b.(2), certain of which were discharged within the meaning of N.J.S.A. 58:10-23.11b., N.J.S.A. 58:10-23.11f.a.(1) and N.J.S.A. 58:10-23.11f.b.(3).

53. As a discharger of hazardous substances at and from the TECT Property, defendant TECT is a person who is liable, jointly and severally, without regard to fault, for all costs plaintiffs

NJDEP and the Administrator have incurred, and will incur, to remediate the Site. N.J.S.A. 58:10-23.11g.c.1.

54. Further, as a person otherwise responsible for the hazardous substances not satisfactorily or contained at the TECT Property, certain of which were discharged, defendant TECT is liable, without regard to fault, for all costs plaintiffs NJDEP and the Administrator have incurred, and will incur, to remediate the Site. N.J.S.A. 58:10-23.11g.c.(1).

55. By failing to comply with the November 2000 Directive, defendant TECT is also a person who, pursuant to N.J.S.A. 58:10-23.11f.a(1), is liable in an amount equal to three times the cleanup and removal costs that plaintiffs NJDEP and the Administrator have incurred, and will incur, for the Site.

56. As a discharger or person otherwise responsible for the hazardous substances not properly stored or contained at the TECT Property, certain of which were discharged, defendant TECT is liable, jointly and severally, without regard to fault, for all cleanup and removal costs, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred, and will incur, for any natural resource of this State that has been, or may be, injured as a result of the discharge of hazardous substances at and from the TECT Property.

PRAYER FOR RELIEF

WHEREFORE, plaintiffs NJDEP and the Administrator pray that this Court:

- a. Order defendant TECT to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site, with applicable interest;
- b. Enter declaratory judgment against defendant TECT, jointly and severally, without regard to fault, for any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- c. Order defendant TECT to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, in an amount equal to three times the cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site;
- d. Enter declaratory judgment against defendant TECT, jointly and severally, without regard to fault, in an amount equal to three times any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- e. Order defendant TECT to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred for any natural resource of this State that has been, or may

be, injured by the discharge of hazardous substances at and from the TECT property, with applicable interest;

- f. Enter declaratory judgment against defendant TECT, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator will incur for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT Property;
- g. Award plaintiffs NJDEP and the Administrator their costs and fees in this action; and
- h. Award plaintiffs NJDEP and the Administrator such other relief as this Court deems appropriate.

SECOND COUNT

57. Plaintiffs NJDEP and the Administrator repeat each and every allegation of paragraphs 1 through 56 above as though fully set forth in its entirety herein.

58. At all times relevant in this action, James Patrick was the president and/or chief executive officer, and principal stockholder of, defendant TECT.

59. At all times relevant to this action, James Patrick personally directed, conducted and managed the operations of defendant TECT, and knew or should have known of defendant TECT's operations and business affairs.

60. James Patrick participated in, or otherwise was responsible for, the unsatisfactory storage and containment of hazardous substances at the TECT Property, certain of which were discharged, including the burying of drums containing chemicals, to which James Patrick admitted during an interview published in the Record of Hackensack, on Thursday, June 22, 2000.

61. James Patrick died on February 26, 2003, during the pendency of this litigation.

62. Patrick's Will was made on January 9, 2001, and, therefore, after plaintiff NJDEP served James Patrick with the November 2000 Directive.

63. On September 9, 2003, defendant Peck executed the petition for probate of Patrick's Will and for authorization to administer Patrick's Estate in Orange County, California.

64. On September 11, 2003, defendant Peck filed a Petition for Probate in the Superior Court of California, in Orange County under Docket No. A221255.

65. Among other declarations under oath, in the Petition for Probate defendant Peck states that the estimated value of Patrick's Estate at the time of James Patrick's death was less than \$250,000, including all realty and personalty and without reduction for encumbrances.

66. As executor of Patrick's Will, defendant Peck is Patrick's personal representative and, pursuant to Paragraph 5 thereof, vested with the power and discretion to "sell, lease,

exchange, mortgage, hypothecate, or otherwise dispose of all or any part of" Patrick's Estate's assets and answer for its liabilities to the same extent as James Patrick would have had if still alive.

67. Plaintiffs' causes of action survive James Patrick's death and, therefore, continue against defendant Peck as Executor of Patrick's Estate pursuant to N.J.S.A. 2A:15-4.

68. As a discharger of hazardous substances at and from the TECT Property, James Patrick, or his Estate, is a person who is liable, jointly and severally, without regard to fault, for all costs plaintiffs NJDEP and the Administrator have incurred, and will incur, to remediate the Site. N.J.S.A. 58:10-23.11g.c.1.

69. Further, as a person otherwise responsible for the hazardous substances not satisfactorily or contained at the TECT Property, certain of which were discharged, James Patrick, or his Estate, is liable, without regard to fault, for all costs plaintiffs NJDEP and the Administrator have incurred, and will incur, to remediate the Site. N.J.S.A. 58:10-23.11g.c.(1).

70. By failing to comply with the November 2000 Directive, James Patrick, or his Estate, is also a person who, pursuant to N.J.S.A. 58:10-23.11f.a(1), is liable in an amount equal to three times the cleanup and removal costs that plaintiffs NJDEP and the Administrator have incurred, and will incur, for the Site.

71. As a discharger or person otherwise responsible for the hazardous substances not properly stored or contained at the TECT Property, certain of which were discharged, James Patrick, or his

Estate, is liable, jointly and severally, without regard to fault, for all cleanup and removal costs, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred, and will incur, for any natural resource of this State that has been, or may be, injured as a result of the discharge of hazardous substances at and from the TECT Property.

PRAYER FOR RELIEF

WHEREFORE, plaintiffs NJDEP and the Administrator pray that this Court:

- a. Order defendant Peck, as Executor of Patrick's Estate, to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site, with applicable interest;
- b. Enter declaratory judgment against defendant Peck, as the Executor of Patrick's Estate, jointly and severally, without regard to fault, for any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- c. Order defendant Peck, as Executor of Patrick's Estate, to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, in an amount equal to three times the cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site;



- d. Enter declaratory judgment against defendant Peck, as Executor of Patrick's Estate, jointly and severally, without regard to fault, in an amount equal to three times any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- e. Order defendant Peck, as Executor of Patrick's Estate, to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT property, with applicable interest;
- f. Enter declaratory judgment against defendant Peck, as Executor of Patrick's Estate, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator will incur for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT Property;
- g. Award plaintiffs NJDEP and the Administrator their costs and fees in this action; and

- h. Award plaintiffs NJDEP and the Administrator such other relief as this Court deems appropriate.

THIRD COUNT

72. Plaintiffs NJDEP and the Administrator repeat each and every allegation of paragraphs 1 through 71 above as though fully set forth in its entirety herein.

73. At all times relevant in this action, James Patrick was the president and/or chief executive officer, and principal stockholder of, defendant TECT.

74. At all times relevant to this action, James Patrick personally directed, conducted and managed the operations of defendant TECT, and knew or should have known of defendant TECT's operations and business affairs.

75. James Patrick participated in, or otherwise was responsible for, the unsatisfactory storage and containment of hazardous substances at the TECT Property, certain of which were discharged, including the burying of drums containing chemicals, to which James Patrick admitted during an interview published in the Record of Hackensack, on Thursday, June 22, 2000.

76. James Patrick died on February 26, 2003, during the pendency of this litigation.

77. Patrick's Will was made on January 9, 2001, and, therefore, after plaintiff NJDEP served James Patrick with the November 2000 Directive.

78. On February 6, 2004, defendant Ronald Patrick executed a petition for probate of Patrick's Will and for authorization to administer Patrick's Estate in Orange County, California.

79. On February 9, 2004, defendant Ronald Patrick filed the Petition for Probate in the Superior Court of California, in Orange County under Docket No. A221255.

80. Among other declarations under oath, in the Petition for Probate, defendant Ronald Patrick states that the estimated value of Patrick's Estate at the time of death was less than \$250,000, including all realty and personalty and without reduction for encumbrances.

81. As executor of Patrick's Will, defendant Ronald Patrick is Patrick's personal representative and, pursuant to Paragraph 5 thereof, vested with the power and discretion to "sell, lease, exchange, mortgage, hypothecate, or otherwise dispose of all or any part of" Patrick's Estate's assets and answer for its liabilities to the same extent as James Patrick would have had if still alive.

82. Plaintiffs' causes of action survive James Patrick's death and, therefore, continue against defendant Ronald Patrick as Executor of Patrick's Estate pursuant to N.J.S.A. 2A:15-4.

83. As a discharger of hazardous substances at and from the TECT Property, James Patrick, or his Estate, is a person who is liable, jointly and severally, without regard to fault, for all costs plaintiffs NJDEP and the Administrator have incurred, and will incur, to remediate the Site. N.J.S.A. 58:10-23.11g.c.1.

84. Further, as a person otherwise responsible for the hazardous substances not satisfactorily or contained at the TECT Property, certain of which were discharged, James Patrick, or his Estate, is liable, without regard to fault, for all costs plaintiffs NJDEP and the Administrator have incurred, and will incur, to remediate the Site. N.J.S.A. 58:10-23.11g.c.(1).

85. By failing to comply with the November 2000 Directive, James Patrick, or his Estate, is also a person who, pursuant to N.J.S.A. 58:10-23.11f.a(1), is liable in an amount equal to three times the cleanup and removal costs that plaintiffs NJDEP and the Administrator have incurred, and will incur, for the Site.

86. As a discharger or person otherwise responsible for the hazardous substances not properly stored or contained at the TECT Property, certain of which were discharged, James Patrick, or his Estate, is liable, jointly and severally, without regard to fault, for all cleanup and removal costs, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred, and will incur, for any natural resource of this State that has been, or may be, injured as a result of the discharge of hazardous substances at and from the TECT Property.

PRAYER FOR RELIEF

WHEREFORE, plaintiffs NJDEP and the Administrator pray that this Court:

- a. Order defendant Ronald Patrick, as Executor of Patrick's Estate, to reimburse plaintiffs NJDEP and the

Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site, with applicable interest;

- b. Enter declaratory judgment against defendant Ronald Patrick, as the Executor of Patrick's Estate, jointly and severally, without regard to fault, for any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- c. Order defendant Ronald Patrick, as Executor of Patrick's Estate, to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, in an amount equal to three times the cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site;
- d. Enter declaratory judgment against defendant Ronald Patrick, as Executor of Patrick's Estate, jointly and severally, without regard to fault, in an amount equal to three times any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- e. Order defendant Ronald Patrick, as Executor of Patrick's Estate, to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs,

- plaintiffs NJDEP and the Administrator have incurred for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT property, with applicable interest;
- f. Enter declaratory judgment against defendant Ronald Patrick, as Executor of Patrick's Estate, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator will incur for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT Property;
  - g. Award plaintiffs NJDEP and the Administrator their costs and fees in this action; and
  - h. Award plaintiffs NJDEP and the Administrator such other relief as this Court deems appropriate.

FOURTH COUNT

87. Plaintiffs NJDEP and the Administrator repeat each and every allegation of paragraphs 1 through 86 above as though fully set forth in its entirety herein.

88. Defendant Alacer is engaged in the business of manufacturing and distributing vitamins and food supplements.

89. James Patrick was the president and/or chief executive officer, and principal stockholder of defendant Alacer.

90. At all times relevant in this action, James Patrick personally conducted, managed, or directed the operations of defendant Alacer, including the transfer in the 1970s of assets and personnel from defendant TECT to defendant Alacer, which assets defendant Alacer used in furtherance of its vitamin business.

91. Pursuant to James Patrick's sworn testimony in bankruptcy proceedings concerning defendant TECT, James Patrick testified that he used defendant Alacer's California bank account to pay defendant TECT's employees working at the TECT Property.

92. In the ordinary course of its business some time in the early 1970s, defendant Alacer sold chlorinated solvents to, and accepted shipments of chemical products from, defendant TECT's customers.

93. These transactions and relationship between defendant TECT and defendant Alacer establish that defendant Alacer is the corporate successor of defendant TECT.

94. As defendant TECT's successor, defendant Alacer is a person otherwise responsible for the hazardous substances not satisfactorily or contained at the TECT Property, certain of which were discharged, and, is liable, without regard to fault, for all costs plaintiffs NJDEP and the Administrator have incurred, and will incur, to remediate the Site. N.J.S.A. 58:10-23.11g.c.(1).

95. As a person otherwise responsible for the hazardous substances not properly stored or contained at the TECT Property, certain of which were discharged, defendant Alacer is liable,

jointly and severally, without regard to fault, for all cleanup and removal costs, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred, and will incur, for any natural resource of this State that has been, or may be, injured as a result of the discharge of hazardous substances at and from the TECT Property.

PRAYER FOR RELIEF

WHEREFORE, plaintiffs NJDEP and the Administrator pray that this Court:

- a. Order defendant Alacer to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site, with applicable interest;
- b. Enter declaratory judgment against defendant Alacer, jointly and severally, without regard to fault, for any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- c. Order defendant Alacer to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, in an amount equal to three times the cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site;
- d. Enter declaratory judgment against defendant Alacer, jointly and severally, without regard to fault, in an



amount equal to three times any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;

- e. Order defendant Alacer to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT Property, with applicable interest;
- f. Enter declaratory judgment against defendant Alacer, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator will incur for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT Property;
- g. Award plaintiffs NJDEP and the Administrator their costs and fees in this action; and
- h. Award plaintiffs NJDEP and the Administrator such other relief as this Court deems appropriate.

FIFTH COUNT

96. Plaintiffs NJDEP and the Administrator repeat each and every allegation of paragraphs 1 through 95 above as though fully set forth in its entirety herein.

97. Patrick's Will makes an express bequest of shares of defendant Alacer's stock to defendant Ymelda T. Patrick, pursuant to the January 2000 Trust, which may represent the personalty and realty owned and acquired by James Patrick during his lifetime.

98. The January 2000 Trust is an inter-vivos California trust that, as set forth under Paragraph 3 of Patrick's Will, was amended in January 12, 2000 and, therefore, after plaintiff NJDEP initiated the investigation which led to the filing of the original complaint in this action. Defendant Trustees are vested with the power to make dispositions pursuant to the trust instrument.

99. The January 2000 Trust res includes shares of defendant Alacer, which represent personalty of James Patrick owned and acquired during his lifetime, therefore the Trustees may be vested with the power to control the actions and assets of defendant Alacer and the actions and assets of Patrick's Estate.

100. Plaintiffs' cause of action survives James Patrick's death and, therefore, continues against Patrick's Estate pursuant to N.J.S.A. 2A:15-4.

101. To the extent that the value of Patrick's Estate cannot satisfy a potential judgment in this case, the Trust assets of the

January 2000 Trust should be available to fulfill any judgment entered in this case against James Patrick.

102. To the extent that defendant Alacer is found liable to the plaintiffs, the assets of the January 2000 Trust should be available to fulfill any judgment entered against defendant Alacer in this case.

WHEREFORE, plaintiffs NJDEP and the Administrator pray that to the extent the January 2000 Trust has received, or will receive, any proceeds from Patrick's Estate, this Court:

- a. Order defendant Trustees to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site, with applicable interest;
- b. Enter declaratory judgment against defendant Trustees, jointly and severally, without regard to fault, for any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- c. Order defendant Trustees to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, in an amount equal to three times the cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site;
- d. Enter declaratory judgment against defendant Trustees jointly and severally, without regard to fault, in an

amount equal to three times any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;

- e. Order defendant Trustees to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT property, with applicable interest;
- f. Enter declaratory judgment against defendant Trustees, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator will incur for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT Property;
- g. Award plaintiffs NJDEP and the Administrator their costs and fees in this action; and
- h. Award plaintiffs NJDEP and the Administrator such other relief as this Court deems appropriate.

SIXTH COUNT

103. Plaintiffs NJDEP and the Administrator repeat each and every allegation of paragraphs 1 through 102 above as though fully set forth in its entirety herein.

104. The Committee is a named beneficiary under Patrick's Will and shares an address with defendant Alacer.

105. Plaintiffs' causes of action survives James Patrick's death and, therefore, continues against Patrick's Estate pursuant to N.J.S.A. 2A:15-4.

106. To the extent that the value of Patrick's Estate cannot satisfy a potential judgment in this case, any assets distributed from Patrick's Estate to the Committee should be available to fulfill any judgment entered in this case against James Patrick.

PRAYER FOR RELIEF

WHEREFORE, plaintiffs NJDEP and the Administrator pray that to the extent defendant Committee has received, or will receive, any proceeds from Patrick's Estate, this Court:

- a. Order defendant Committee to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site, with applicable interest;
- b. Enter declaratory judgment against defendant Committee jointly and severally, without regard to fault, for any

cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;

- c. Order defendant Committee to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, in an amount equal to three times the cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site;
- d. Enter declaratory judgment against defendant Committee, jointly and severally, without regard to fault, in an amount equal to three times any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site;
- e. Order defendant Committee to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the Administrator have incurred for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT property, with applicable interest;
- f. Enter declaratory judgment against defendant Committee, jointly and severally, without regard to fault, for all cleanup and removal costs and damages, including lost use and reasonable assessment costs, plaintiffs NJDEP and the

Administrator will incur for any natural resource of this State that has been, or may be, injured by the discharge of hazardous substances at and from the TECT Property;

g. Award plaintiffs NJDEP and the Administrator their costs and fees in this action; and

h. Award plaintiffs NJDEP and the Administrator such other relief as this Court deems appropriate.

#### SEVENTH COUNT

107. Plaintiffs NJDEP and the Administrator repeat each and every allegation of paragraphs 1 through 106 above as though fully set forth in its entirety herein.

108. On January 14, 2000, James Patrick created a living trust naming himself as trustee and beneficiary.

109. James Patrick's Will, dated January 9, 2001, contained a pour over provision referencing the January 2000 Trust (the "Trust").

110. During his lifetime, James Patrick was the Trust's sole trustee and beneficiary.

111. In the Trust instrument, James Patrick reserved to himself certain powers, including the power to revoke and amend the Trust, to direct Trust investments, and the complete power to administer Trust assets.

112. During his lifetime, James Patrick was the sole income beneficiary of the Trust, with the power to invade the Trust

principal and in his "absolute discretion" make any additional payment as necessary for his care, maintenance and support.

113. In the Trust instrument, James Patrick granted himself "complete authority" to collect any insurance proceeds or benefits under a pension or profit sharing plan payable to the Trust.

114. In the Trust instrument, James Patrick granted himself the sole power to exercise subscription, conversion, or other rights and options in the stock transferred to the Trust; to deposit or transfer the securities held by the Trust as necessary to carry out any merger, consolidation, foreclosure, liquidation, or any other plan of reorganization of the issuing corporation.

115. In the Trust instrument, James Patrick granted himself the power to loan money to the Trust and take back a lien against the Trust estate.

116. The Trust res includes all the issued and outstanding shares of Alacer stock previously held by James Patrick.

117. The transfer of the entirety of Alacer's stock to the Trust was made with the actual intent to hinder, delay or defraud creditors as set forth in N.J.S.A. 25:2-25(a).

118. The transfer of the entirety of Alacer's stock to the Trust was made with actual intent to hinder, delay or defraud the Plaintiffs in their attempt to seek recovery of the costs they have incurred and will incur to remediate the Site.

119. James Patrick created the Trust and transferred his ownership in Alacer's stock to the Trust with the intent to hinder,



delay or defraud the Plaintiffs as, among other things: at the time the transfer was made, James Patrick was the sole shareholder of Alacer; subsequent to the transfer, James Patrick retained exclusive power over the Trust and, through the Trust, James Patrick retained exclusive title and control of Alacer to the same extent that he had had prior to the transfer; James Patrick retained possession or control of the Alacer stock after it was transferred; the transfer consisted of substantially all of James Patrick's assets; the transfer was not disclosed to creditors; before the transfer was made, James Patrick either knew or could have known about NJDEP's then-ongoing investigations into the causes of the contamination at the Site and the persons responsible for it.

120. Upon James Patrick's death on February 26, 2003, defendants Ronald Patrick, Smith, Peck, Turner, and Ymelda Patrick, as successor Trustees, were vested with the powers and duties previously held by James Patrick.

121. At the time the transfer was made, the successor Trustees were officers and directors of Alacer.

122. The transfer of the entirety of Alacer's stock to the Trust is avoidable by the Plaintiffs pursuant to N.J.S.A. 25:2-25(b).

123. Plaintiffs' causes of action survive James Patrick's death and, therefore, pursuant to N.J.S.A. 2A:15-4, continue against the Trustees.


PRAYER FOR RELIEF

WHEREFORE, plaintiffs NJDEP and the Administrator pray for judgment against the Trustees:

- a. Voiding and setting aside the transfer of Alacer stock to the Trust;
- b. Enjoining the defendant Trustees from encumbering, distributing, disbursing or otherwise disposing of any Trust property or asset, including the one million shares in defendant Alacer wrongfully transferred to the Trust;
- c. Directing the defendant Trustees to account for all property received from, or on behalf of, James Patrick, and to deliver such property to the Estate;
- d. Ordering defendant Trustees to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, for all cleanup and removal costs plaintiffs NJDEP and the Administrator have incurred for the Site, with applicable interest;
- e. Entering declaratory judgment against defendant Trustees, jointly and severally, without regard to fault, for any cleanup and removal costs plaintiffs NJDEP and the Administrator will incur for the Site, with applicable interest;
- f. Ordering defendant Trustees to reimburse plaintiffs NJDEP and the Administrator, jointly and severally, without regard to fault, in an amount equal to three times the

k. Awarding plaintiffs NJDEP and the Administrator such other relief as this Court deems appropriate.

MARIELLEN DUGAN  
FIRST ASSISTANT ATTORNEY GENERAL  
OF NEW JERSEY  
Attorney for Plaintiffs

By:   
Daisy C. Abel  
Deputy Attorney General

Dated: July 6, 2004

DESIGNATION OF TRIAL COUNSEL


Pursuant to R. 4:25-4, the Court is advised that Brendan Ruane, Deputy Attorney General, is hereby designated as trial counsel for plaintiffs in this action.

CERTIFICATION REGARDING OTHER PROCEEDINGS AND PARTIES

Undersigned counsel hereby certifies, in accordance with R. 4:5-1(b)(2), that the matters in controversy in this action are not the subject of any other pending or contemplated action in any court or arbitration proceeding known to plaintiffs at this time, nor is any non-party known to plaintiffs at this time who should be joined in this action pursuant to R. 4:28, or who is subject to joinder pursuant to R. 4:29-1. If, however, any such non-party later becomes known to plaintiffs, an amended certification shall

be filed and served on all other parties and with this Court in accordance with R. 4:5-1(b)(2).

MARIELLEN DUGAN  
FIRST ASSISTANT ATTORNEY GENERAL  
OF NEW JERSEY  
Attorney for Plaintiffs

By:   
Daisy C. Abel  
Deputy Attorney General

Dated: July 6, 2004.

**Exhibit N**

TO: Mariellen Dugan, Attorney General  
A. Paul Stofa, Deputy Attorney General

FROM: Richard Dana, Ph.D., Chairman and CEO

DATE: April 12, 2005

RE: NJDEP versus Tect, Inc

Yesterday, I received your letter dated April 8, 2005 showing the default entered against the Committee for World Health.

Please accept a copy of my letter to Peter Harvey dated April 7, 2004.

Sincerely,



Richard Dana, Ph.D.

TECT03708

642-102

Peter C. Harvey  
Attorney General of New Jersey  
R.J Hughes Justice Complex  
25 Market Street  
P.O. Box 093  
Trenton, NJ 08625

April 7, 2004

Dear Mr. Harvey,

I am responding to you regarding the summons which I was served today concerning the New Jersey Spill Compensation Fund and Jay Patrick. It is my desire to help the State of New Jersey in any way possible to help pay for damages resulting from hazardous substances which contaminate Bergen Country.

Several years ago, Jay Patrick asked me to help him find ways to cleanup the New Jersey Tech, Inc. site and I called contractors and disposal sites around the U.S. and Canada to learn about the methods and cost of toxic waste disposal. After my report, Vern Peck was put in charge of the cleanup and legal matters.

We have worked with the American Red Cross, 9/11 rescue teams, and helped Jay Patrick donate hundreds of thousands of dollars to charitable causes and medical research. Jay Patrick promised to donate 500,000 vitamin packets to the people of Russia and we have been supporting a small group of Russian doctors at the Russian National Academy of Sciences during the past 7 years.

After Jay Patrick died last year at age 80, I became the Chairman and CEO of the Committee for World Health. We serve the Committee for World Health will no salary. In December, 2003, we signed a 2 year lease and moved to our new location, since Alacer Corp promised to donate \$3,000 per month to the Committee for World Health for at least 15 months. This is the basis for our operating budget. We are trying to raise money and get research grants for Alzheimer's disease research. We have also obtained \$3,000 in donations which Alacer Corp matched. Alacer Corp promised to match outside donations, up to \$50,000. We have two offices with assets of about \$6,000. You can visit our website at [www.cworldhealth.org](http://www.cworldhealth.org).

The estate of Jay Patrick was valued by Vern Peck to be about \$250,000. The will divided the estate is between Ymelda Patrick, his widow, and the Committee for World Health.

I have no intention of disputing this complaint against the Committee for World Health or hiring a lawyer. You are welcome to all of The Committee for World Health assets and any money obtained from the estate of Jay Patrick which is now in probate, to help the cleanup fund.

Sincerely,



Richard C. Dana, Ph.D.  
Chairman and CEO  
Committee for World Health  
20331 Lake Forest Drive  
Suite C-15  
Lake Forest, CA 02630  
949-916-2577

TECT03709

642-103



# Committee for World Health

A Non-Profit Research Foundation

*Rich Engel*

Chairman  
Jay Patrick

President, Chief Researcher  
Richard Dana, Ph.D.

Manager, Research  
Elena Suponeva-Dana, Ph.D.

Advisory Board  
Abram Hoffer, M.D., Ph.D.  
Jeffrey Buzby, Ph.D.  
George Bartzokis, M.D.  
Alexey M. Olovnikov, Ph.D.  
Armando Garcia, M.D.

The Attorney General of the State of New Jersey Peter C. Harvey  
Post Office Box 93  
Trenton, New Jersey 98625

December 12, 2004

Dear Honorable Peter Harvey,

Jay Patrick died a very wealthy man last year.

He made chemical products and buried toxic waste in New Jersey for many years.

He owned 100% of Alacer Corp, Foothill Ranch, CA, when he died and current sales are about \$4,000,000 per month.

I believe that the estate of Jay Patrick should take on the responsibility to help restore the damaged environment.

It will cost the people of New Jersey and the United States of America many millions of dollars to clean up the chemicals he buried.

I will help you in any way that I can.

Sincerely,

Richard C. Dana, Ph.D.  
Chairman and CEO  
Committee for World Health  
20331 Lake Forest Drive  
Suite C-15  
Lake Forest, CA 92630

949-916-2577  
cell: 949-279-6380

19571 Pauling, Foothill Ranch, CA 92610  
(949) 454-3999 • FAX (949) 951-0917  
email: rdana@wrldhlth.org • www.wrldhlth.org



**Exhibit O**

SMITH&RENDON<sup>LLP</sup>  
ATTORNEYS AT LAW

333 South Grand Avenue  
Suite 4200  
Los Angeles, California 90071-1546  
Tel. (213) 626-9000  
Fax (213) 626-2870



www.smithrendon.com

2222 Martin  
Suite 255  
Irvine, California 92612-1481  
Tel. (949) 474-2231  
Fax (949) 260-0940

2140 Shattuck Avenue  
Suite 305  
Berkeley, California 94704-1212  
Tel. (415) 828-5512  
Fax (510) 647-9883

Reply To:

October 2, 2008

Ms. Tracy Egoscue  
Executive Officer  
California Regional Water Quality Control Board  
Los Angeles Region  
320 W. 4<sup>th</sup> Street, Suite 200  
Los Angeles, CA 90013

Re: All-Tex Inks Corporation  
14650 East Firestone Boulevard  
La Mirada, California  
(SCP Case No. 0909; SCP ID No. 204CA00)

Dear Ms. Egoscue:

Smith & Rendon, LLP represents Soco West, Inc. ("Soco West") in the above-referenced matter. Enclosed is Soco West's Petition to the State Water Resources Control Board ("State Board") regarding the directive to Mr. Raj Mehta of Soco West, issued by the Los Angeles Regional Water Quality Control Board ("Regional Board") on September 3, 2008. A copy of the Regional Board directive is attached to the enclosed Petition as Exhibit A.

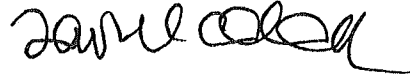
We would like the Regional Board to review the issues raised in the attached Petition. We believe this matter would be best handled at the Regional Board level, rather than with the State Board. However, so as not to be barred by the statute of limitations, we are simultaneously filing an appeal with the State Board.

We hereby request a hearing by the Regional Board regarding its September 3, 2008 directive to Soco West. We understand that we may request a three-member panel hearing pursuant to Water Code § 13228.14 if it relates to investigating the quality of waters of the state, prescribing waste discharge requirements, issuing cease and desist orders, requiring the cleanup or abatement of waste, or imposing administrative civil liabilities or penalties. We also understand that in your discretion you may grant a hearing at the Regional Board level by a three-member panel, or by yourself, or by the full regional board, or virtually, any kind of hearing you think is called for.

Ms. Tracy Egoscue  
October 2, 2008  
Page 2 of 2

We look forward to hearing from you. My contact information is below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Laurel Adcock", with a stylized flourish at the end.

Laurel A. Adcock  
SMITH & RENDON LLP

Laurel E. Adcock, Esq.  
Smith & Rendon LLP  
2222 Martin, Suite 255  
Irvine, CA 92612  
Telephone (949) 474-2231  
Fax (949) 260-0939  
Email [lea@smithrendon.com](mailto:lea@smithrendon.com)

LEA/lg  
Enclosure

Cc: Mr. Raj Mehta  
SocoWest, Inc.